

IN THE MATTER OF THE FACT-FINDING BETWEEN

CITY OF FORT MADISON, IOWA, :
: CEO #262/3
Employer, :
:
and :
: FACT-FINDER'S REPORT
CHAUFFEURS, TEAMSTERS & :
HELPERS, LOCAL UNION NO. 238, :
WATER DEPARTMENT UNIT, :
:
Union. :

APPEARANCES

For the Union: Andrea F. Hoeschen, Attorney
Kimbra Wilson, Business Representative
Brian Wiegand, Steward
Tommy Prado, Steward

For the City: Terry D. Loeschen, Attorney
William A. Kelly, City Manager

BACKGROUND

The City of Fort Madison ("Employer") and the Fort Madison, Iowa, water department unit of the Chauffeurs, Teamsters & Helpers, Local No. 238 ("Union"), began negotiations for a 2003-2004 contract in the latter part of 2002. The parties were not able to reach voluntary settlements on all items, and a mediation session was held. Mediation was not successful. The parties selected the undersigned as Fact-finder, scheduling a hearing to be held on May 28, 2003. The Employer and the Union agreed to extend the time for completion of the impasse procedure. See stipulation attached hereto and marked as Exhibit "A." The fact-finding hearing was held at the Fort Madison, Iowa City Hall building, on May 28, 2003,

commencing at approximately 1:00 P.M., and ending at approximately 3:00 P.M.

The Employer was represented at the hearing by Terry D. Loeschen, attorney, and William A. Kelly, City Manager, and the Union was represented by Andrea F. Hoeschen, attorney, and Kimbra Wilson, Business Representative. In addition to information provided by the representatives, evidence was submitted by Brian Wiegand, Steward. The presentations of both of the parties were concise and well-prepared.

ISSUES

There are four items at impasse in this matter.¹ They are:

1. Article 15, Leaves of Absence (personal days)
2. Article 17, Uniforms & Protective Clothing
(prescription safety glasses)
3. Article 18, Insurance (Health)
4. Article 24, Wages (2003-2004 increase and
temporary lead-person pay)

The position of the Employer with respect to these items and the position of the Union regarding them are attached hereto and marked as Exhibits "B" and "C" respectively. Those position statements more fully set forth the issues.²

¹At the hearing, the undersigned was advised longevity pay, which had been an item the parties were at impasse on, was resolved.

²Both parties advised their proposals contemplated a contract of one year's duration.

DISCUSSION & FINDINGS OF FACT

Chapter 20 of the Code of Iowa does not specify what criteria Fact-finders should consider when making recommendations to resolve an impasse. However, it is common practice for Fact-finders to rely on the factors of criteria specified in Section 20.22(9) for arbitrators to consider, summarized here as prior bargaining history, comparability, ability to pay and power to tax. The undersigned will make reference to those criteria, where applicable, in this report.

In making comparisons on the impasse items, the Employer and the Union were not in total agreement on the employers and bargaining units to be used. The Employer selected seven Iowa cities which have populations similar in size to that of Fort Madison and in which the water department employees are part of certified bargaining units. Those cities and some of the relevant characteristics thereof are as follows:

CITY	# of Water Accounts	Population	# of Bargaining Unit Employees (Water Dept.)	Water Bill Rates Per 10,000 Gallons
Boone	5,168	12,803	8	42.70
Keokuk	5,000	11,427	9	33.51
Fort Madison	4,500	11,476	13	35.20
Indianola	4,203	12,998	4	45.00
Pella	4,027	9,832	4	38.55
Creston	3,435	7,597	8	32.26
Grinnell	3,309	9,105	6	29.86
Mt. Pleasant	3,354	8,751	9	32.50
Median	4,233	11,012	8	36.20

See Employer Exhibits 5, 6 and 32.

The Union chose the following employers and bargaining units for external comparisons:

Employer	Bargaining Unit
Lee County, Iowa	Secondary Roads
Burlington, Iowa	Water Department
Burlington, Iowa	Library
Keokuk, Iowa	Water Department
Mount Pleasant, Iowa	Municipal Utilities
Muscatine, Iowa,	Power and Water Department

See Union Exhibit 1.

Giving consideration to the type of work performed and the size of the population served, the undersigned finds the Employer's group to be preferable in this matter for purposes of external comparisons.³

The Union also offered evidence comparing its offers, on some of the items at impasse, with the provisions in the contracts of the Employer's police department, public works, fire department and library bargaining units. The Employer's representative conceded, and the undersigned finds, there is relevance to such internal comparison evidence.

I. Wages

The written offers exchanged by the parties prior to the hearing in this matter both propose the wages of the employees in the bargaining unit be increased by 3%. The explanation as to why the parties should be considered at impasse on this aspect of the

³The populations of Lee County, Iowa, Muscatine, Iowa, and Burlington, Iowa, are 38,052, 22,697 and 26,839 respectively. See Union Exhibit 1.

wage item, as offered by Terry D. Loeschen, was that the undersigned has the authority to recommend a smaller or larger increase in wages than offered by either party. In a further colloquy between the undersigned and Mr. Loeschen at the hearing, it became apparent to the undersigned the Employer's offer on wages was premised upon the change it proposed in another item at impasse, that being the health insurance benefit. Without the "relief" contemplated by the City's offer on health insurance, with an increase in wages of 3%, it was submitted by Mr. Loeschen the Employer would have to "reduce force."⁴

Whether, under the circumstances described, an impasse on the wage-increase item statutorily exists or not is a matter the undersigned has not decided. For purposes of this report, the undersigned presumes it to be the case.

With respect to the wage impasse item, the following evidence was received from the Employer relating to current wage comparability:

2002-03 WATER UNION WAGES

CITY	Lowest Wage	Highest Wage	Average Wage
Boone	\$31,310.52	\$35,388.96	\$33,349.74
Indianola	\$30,108.00	\$37,574.00	\$33,841.00
Mt. Pleasant	\$28,745.60	\$38,168.00	\$33,456.80
Pella	\$26,499.20	\$31,865.60	\$29,182.40

⁴The undersigned was advised by William A. Kelly the Employer has budgeted for a 3% wage increase and for the cost of the current insurance plan plus a 20% increase in the premiums therefore in the water department.

Fort Madison	\$25,979.20	\$31,574.40 ⁵	\$28,776.80 ⁶
Grinnell	\$24,689.60	\$29,993.60	\$27,341.60
Creston	\$28,412.80	\$28,412.80	\$28,412.80
Keokuk	\$27,476.80	\$33,675.20	\$30,576.00
	\$27,902.72	\$33,331.57	\$30,617.14

See Employer Exhibit 8.

Regarding 2003-2004 wages in the Employer's comparison group, the following evidence was received:

COMPARISON 2003-2004 WATER UNION WAGES

CITY	Lowest Wage	Highest Wage	Average Wage
Indianola	\$31,161.78	\$38,889.09	\$35,025.44
Boone	\$32,577.36	\$36,655.80	\$34,616.58
Mt. Pleasant	\$29,694.21	\$39,427.54	\$34,560.88
Keokuk	\$28,301.10	\$34,685.46	\$31,493.28
Pella	\$27,560.00	\$33,134.40	\$30,347.20
Grinnell	\$27,646.40	\$31,158.40	\$28,402.40
Creston	Unknown - Not Settled		
	\$28,777.09	\$35,156.91	\$31,967.00

See Employer Exhibit 9.

From the foregoing data, the undersigned computes the following with respect to the 2003-2004 wage increases negotiated for the bargaining units in the Employer's comparison group:

⁵This wage is the wage of an Operator/Maintenance Classification employee who is designated as the Distribution Lead person.

⁶The average wage shown for Fort Madison on Exhibit 8 is average of the highest wage shown and the lowest wage shown on the exhibit. There are 13 employees in the bargaining unit. See testimony of Brian Wiegand. The total of the 2002-03 bargaining unit wages is \$366,620.80. See Employer Exhibit 30. The 2002-2003 average wage, the undersigned would compute for the bargaining unit, then, is \$28,201.60 ($\$366,620.80 \div 13$).

CITY	Increase in Lowest Wage	Increase in Highest Wage
Indianola	\$1,053.78 or 3.5%	\$1,315.09 or 3.5%
Boone	\$1,266.84 or 4.05%	\$1,266.84 or 3.58%
Mt. Pleasant	\$ 948.61 or 3.3%	\$1,259.54 or 3.3%
Keokuk	\$ 824.30 or 3.0%	\$1,010.26 or 3.0%
Pella	\$1,060.80 or 4.0%	\$1,268.80 or 3.98%
Grinnell	\$ 956.80 or 3.88%	\$1,164.80 or 3.88%
Average	\$1,018.52 or 3.62%	\$1,214.22 or 3.54%

It is apparent, in terms of the current wages paid to its bargaining unit employees, the City of Fort Madison's water department ranks in the lower one-half of its comparison group. It is also apparent a 3% wage increase will not materially change the rank of the Employer.

While bargaining-history evidence, offered to the undersigned with respect to wages, was minimal, it does appear the 3% wage increase proposed by both parties in this matter is consistent with the wage increase they negotiated for the bargaining unit for the period July 1, 2002, to June 30, 2003. See the current contract, Employer Exhibit 3 and Union Exhibit 1.

Regarding the Union's proposal to change the current requirement that an employee temporarily assigned as a lead distribution person must work 24 hours or three days before receiving the lead distribution rate of pay, the undersigned finds no comparisons in the record made, either within the Employer's other bargaining units or in the bargaining units of the other employers used for comparison. Except with respect to the current bargaining for the contract at impasse, no other historical

evidence was received from the Union in support of its lead-pay proposal.

Relative to the factor of ability to pay, testimony received at the hearing reflects that the revenue of the Fort Madison water department used to compensate bargaining-unit members comes from fees charged to residential, commercial and industrial customers. In the last eight years, the Employer has increased its water rates four times. The cost of 10,000 gallon of water used per month is now 31.6% higher than it was in 1994. See Employer Exhibit 31. While rates could be raised again, it would add to the financial burden of water department customers. The Employer has noticed an increase in the number of unpaid utility bills. See testimony of William A. Kelly.

As noted earlier, the Employer has budgeted for a 3% increase in wages. It has not budgeted for the Union's lead-pay proposal. The cost of these two components of the wage item is as follows:

Current Wages	\$366,620.80
FICA	28,046.49
IPERS	<u>21,080.70</u>
	\$415,747.99
 Current Wages + 3%	 \$377,619.43
FICA	28,887.89
IPERS	<u>21,713.12</u>
	\$428,220.44
	 \$428,220.44
	<u>415,747.99</u>
INCREASE	\$ 12,472.45
 Cost of Lead Pay Proposal	 \$378.00
See Employer Exhibit 30.	

II. INSURANCE

The Employer's proposal on this impasse item would change not only the language of the contract regarding health insurance but would change the health insurance plan provided to bargaining unit employees as well. If the proposal were approved, the plan would change from an indemnity-type plan to a PPO plan. The major differences between the current plan in effect for bargaining-unit employees and that proposed by the Employer are summarized as follows:

CURRENT	CITY PROPOSED
Deductible \$200 single - \$400 family	Deductible \$250 single - \$500 family
No co-pay	10% in network - 20% out of network
Out of pocket maximum is the same as the \$200 - \$400 deductible	\$1000 - \$2000 out of pocket maximum (includes deductible)
Prescriptions included in \$200 - \$400 Deductible	Employee pays \$10 - generic \$25 preferred, \$40 - non preferred
Wellness physical paid by employee	1 covered physical per year/per member
Lifetime benefit \$1 million	Lifetime benefit \$2 million

See Employer Exhibit 12.

Currently, one employee in the bargaining unit has selected single coverage. The remaining twelve have selected family coverage. The cost of single coverage under the current plan is \$344.55 per month. The cost of family coverage is \$1,019.87 under the current plan. Employees in the bargaining unit who select

family coverage pay \$40.00 per month toward its cost.⁷ See Employer Exhibits 11 and 31.

Regarding the comparability factor, the following evidence was submitted regarding family plan health insurance in the group selected for comparison:

CITY	2002-03 Premium	2002-03 Employee Mo. Contribution	2002-03 Deductible	2002-03 Out of Pocket Max.
Creston	\$1,233.25	\$ 10.24	\$400.00	\$ 400.00
Boone	\$1,034.72	\$ 0.	\$300.00	\$2,500.00
Fort Madison	\$1,019.87	\$ 40.00	\$400.00	\$ 400.00
Keokuk	\$ 827.83	\$ 0.	\$300.00	\$2,250.00
Grinnell	\$ 810.25	\$130.00	\$200.00	\$2,000.00
Indianola	\$ 665.00	\$ 0.	\$200.00	\$1,000.00
Mt. Pleasant	\$ 588.31	\$195.91	\$500.00	\$1,000.00
Pella	\$ 450.00	\$ 31.50	\$400.00	\$1,000.00

See Employer Exhibits 16, 17 and 19.

Based upon the data submitted by the Employer, the 2003-2004 plans of the cities used for comparison will remain the same as they are currently, except in the case of Pella, Iowa, where the deductible and out-of-pocket maximum for the family plan will be \$1,000.00 and \$3,000.00 respectively. Pella's premium for family coverage will increase to \$720.00 per month as well. See Employer Exhibits 21 and 24.⁸

⁷In the last two years, the monthly premium for family coverage increased from \$543.52 per month to \$1,019.87. In March of 2001, the employee's contribution of \$40.00 per month was 7.36% of the total premium. The current plan provided to Fort Madison bargaining-unit employees is the only one of its kind currently being written by Blue Cross/Blue Shield of Iowa. See Employer Exhibit 31. Premium costs are projected to increase by at least 20% for the last three months of the 2003-2004 contract year. See Employer Exhibits 15 and 30.

⁸The Employer's police department and public works contracts have terms running from July 1, 2002, to June 30, 2005, and from July 1, 2002, to June 30, 2004, respectively. Under those

The language in the current contract of the parties, regarding health insurance, and the current indemnity-type plan have been in place for at least 16 years. See testimony of Brian Wiegand. The negotiations of the 2003-2004 contract are the first in which the Employer has proposed the change it seeks in the insurance language. See testimony of the Employer.⁹

With respect to the factor of ability to pay, the cost of health insurance for water department bargaining-unit members is 10% of the water departments O and M budget. See Employer Exhibit 31. The fiscal 2002-2003 cost to the Employer of health insurance for said bargaining-unit members is \$125,399.61. If the current plan continues during the 2003-2004 contact year, the Employer's cost is projected to be \$152,785.53, representing a \$27,385.92 increase for the year. As noted previously, the Employer has budgeted for this increased cost. If the Employer's PPO plan were adopted, the Employer's 2003-2004 cost for health insurance

contracts, insurance language equivalent to that in the current water department contract and the plan now in effect for the water department employees will continue for those two bargaining units until the expiration the aforesaid terms.

⁹The PPO plan sought by the Employer came to its attention after the Union had rejected a proposal by the Employer to retain the current plan with employees paying a larger portion of the premiums (20% in the case of family coverage). After rejecting that proposal, the Union presented the PPO plan now sought by the Employer for purposes of discussion. The Union expected a quid pro quo before it would accept a change in plans. Apparently, no detailed discussion of what would be an acceptable quid pro quo ever occurred between the parties.

coverage for the water department unit would be \$128,719.20. See Employer Exhibit 30.

III. PERSONAL DAYS

It would appear the primary reason for the Union's proposal to add a personal day in its contract is the fact that the Employer's police department and public works contracts provide for two personal days for those bargaining unit employees. See Union testimony and Union Exhibit 1. While it is clear a disparity in this benefit exists between the water department contract and those two contracts, the water department benefit is comparable to that agreed to in the fire department unit. The Employer's current contract with the fire department employees also provides just one personal day. See Article 14, Section E, of said contract as set forth in Union Exhibit No. 1.

Looking to the Employer's external comparisons, the evidence suggests no firm pattern with respect to the number of personal days water department employees have. Employer's Exhibit 26 reflects the following regarding this item in the contracts of those cities chosen for comparison:

NUMBER OF PERSONAL DAYS

Mt. Pleasant	3*
Grinnell	2
Indianola	2
Keokuk	2
Fort Madison	1
Creston	0
Pella	0
Boone	0

*They are allowed 3 days off without pay in 8 hour increments each year

Although the record made revealed little of the bargaining history pertaining to this item, there was evidence offered of its cost, if recommended. Employer Exhibit 30 indicates the cost would be \$1,421.28. Presumably, that figure is based upon the current wages of bargaining unit employees, plus the 3% increase offered by the Employer. Days off also carry with them a cost not directly measurable in dollars. Days off can affect the ability to complete work to be performed in providing service to customers.

IV. PRESCRIPTION SAFETY GLASSES

As in the case relating to the Union's personal-day proposal, the Union's proposal on this item is also premised upon a perceived lack of internal comparability. The Employer's fire department and public works contracts both provide for a prescription safety glasses benefit. See Article 15, Section 5, of the fire department contract and Article 15, Section 4, of the public works contract, as shown in Union Exhibit 1. However, the record made by the Union does not reflect whether the Employer's police department bargaining unit has this benefit. The record does confirm employees in the water department are provided with safety glasses by the Employer, at no cost to the employees, although such glasses are not prescription. See Employer Exhibit No. 27.

Externally, there would not appear to be a contractual pattern to support the Union's proposal on this item. The undersigned finds, from a review of Employer Exhibit 27, only two of the cities, whose water department contracts were selected for comparison, pay for prescription safety glasses. Those two cities are Mt. Pleasant and Pella.

Again, little in the way of bargaining history evidence was presented on this impasse item. Additionally, no evidence was presented as to whether or not water department employees are experiencing significant costs in providing prescription safety glasses for themselves from their own pocketbooks. The record made reflects four employees, out of the total of thirteen in the bargaining unit, would qualify for the benefit, at a total cost of \$250.00. See Employer Exhibit No. 30.

RECOMMENDATIONS & REASONING

I. Wages.

A. The undersigned recommends the wage for each classification within the bargaining unit be increased by 3% effective July 1, 2003.

B. The undersigned recommends the language in Article 24 of the July 1, 2001, to June 30, 2003, contract, regarding the period of time a temporary distribution lead person must work before receiving lead-person pay, continue unchanged in the July 1, 2003, to June 30, 2004, contract between the parties.

A 3% wage increase for each employee is consistent with the wage increase the parties bargained for the bargaining unit for the current contract year. While such an increase is on the low end of the 2003-2004 wage increases bargained in the Employer's group of comparables, none the less, it is still within the range of such increases. Specifically, it is equivalent to the 2003-2004 raise negotiated by the City of Keokuk with its water department bargaining unit.

From the record made, it is unclear how long the language, relating to when temporary lead-person pay accrues, has been part of the contract between parties. However, little in the way of comparison evidence was received to suggest a change in the language relating to this item is necessary. In the undersigned's experience, the various benefits and provisions contained within labor contracts are the result of a give and take process between employers and unions. The balances they have struck should not be upset by a neutral absent compelling evidence of a problem and/or a significant lack of comparability.

II. Insurance.

The undersigned recommends the language in Article 18 of the July 1, 2001, to June 30, 2003, contract, relating to health insurance, continue unchanged in the July 1, 2003, to June 30, 2004, contract between the parties, except that the undersigned recommends that employees, who elect to cover their families, pay seventy-five dollars (\$75.00) per month toward the premium for said

family coverage. The undersigned otherwise recommends the Employer continue to provide the health insurance plan, currently in effect, to the bargaining unit employees as part of the July 1, 2003, to June 30, 2004, contract.

The argument for change in the health insurance provisions of the contract is a close one for the undersigned. The increase in the cost of health insurance to the Employer is a concern, and the health insurance plan the Employer proposes would appear to be fairly comparable to the plans currently provided by the other employers surveyed in this matter. These considerations conflict, however, with the factor of bargaining history. As noted, the record reflects the language and the plan relating to the health insurance benefit have been in place for at least sixteen years. Ultimately, the case for the change, sought by the Employer, versus the case for the status quo, sought by the Union, is resolved for the undersigned by comparing the cost of wages and the health insurance benefit provided to the bargaining unit employees to the cost of these components of compensation negotiated by the employers and unions selected for comparison in this matter.¹⁰ Using this approach, the undersigned finds the Employer's cost for wages and health insurance is comparable and, therefore, concludes

¹⁰This approach, in the opinion of the undersigned, better reflects the results of collective bargaining, a process in which one party may concede on one component of compensation, such as wages, to obtain a concession on another component, such as health insurance.

maintenance of the current health insurance plan, despite its cost, would be reasonable for the 2003-2004 contract.

The analysis supporting the aforesaid conclusion, using the information provided in the Employer exhibits, is set forth as follows:

A. 2002-2003 year

CITY	WAGE	FAMILY HEALTH INSURANCE COST	TOTAL COST
Indianola	\$37,574.00 (highest)	\$7,980.00 (665.00 x 12)	\$45,554.00
	\$30,108.00 (lowest)	\$7,980.00 (665.00 x 12)	\$38,088.00
Boone	\$35,388.96 (highest)	\$12,416.64 (1034.72 x 12)	\$47,805.60
	\$31,310.52 (lowest)	\$12,416.64 (1034.72 x 12)	\$43,727.16
Mount Pleasant	\$38,168.00 (highest)	\$4,708.80 (588.31 - 195.91 x 12)	\$42,876.80
	\$28,745.60 (lowest)	\$4,708.80 (588.31 - 195.91 x 12)	\$33,454.40
Keokuk	\$33,675.20 (highest)	\$9,933.96 (827.83 x 12)	\$43,609.16
	\$27,476.80 (lowest)	\$9,933.96 (827.83 x 12)	\$37,410.76
Pella	\$31,865.60 (highest)	\$5,022.00 (450.00 - 31.50 x 12)	\$36,887.60
	\$26,499.20 (lowest)	\$5,022.00 (450.00 - 31.50 x 12)	\$31,521.20
Grinnell	\$29,993.60 (highest)	\$8,163.00 (810.25 - 130.00 x 12)	\$38,156.60
	\$24,689.60 (lowest)	\$8,163.00 (810.25 - 130.00 x 12)	\$32,852.60
Creston	\$28,412.80 (highest)	\$14,676.12 (1233.25 - 10.24 x 12)	\$43,088.92
	\$28,412.80 (lowest)	\$14,676.12 (1233.25 - 10.24 x 12)	\$43,088.92
Fort Madison	\$31,574.40 (highest)	\$11,758.44 (1019.87 - 40.00 x 12)	\$43,332.84
	\$25,979.20 (lowest)	\$11,758.44 (1019.87 - 40.00 x 12)	\$37,737.64

RANK (Highest Wage Plus Insurance)

Boone	\$47,805.60
Indianola	\$45,554.00
Keokuk	\$43,609.16
Fort Madison	\$43,332.84
Creston	\$43,088.92
Mt. Pleasant	\$42,876.80
Grinnell	\$38,156.60
Pella	\$36,887.60

RANK (Lowest Wage Plus Insurance)

Boone	\$43,727.16
Creston	\$43,088.92
Indianola	\$38,088.00
Fort Madison	\$37,737.64
Keokuk	\$37,410.76
Mt. Pleasant	\$33,454.40
Grinnell	\$32,852.60
Pella	\$31,521.20

B. 2003-2004 year

CITY	WAGE (Highest & Lowest)	FAMILY HEALTH INSURANCE COST	TOTAL COST
Indianola	\$38,889.09 \$31,161.78	\$7,980.00 \$7,980.00	\$46,869.09 \$39,141.78
Boone	\$36,655.80 \$32,577.36	\$12,416.64 \$12,416.64	\$49,072.44 \$44,994.00
Mount Pleasant	\$39,427.54 \$29,694.21	\$4,708.80 \$4,708.80	\$44,136.34 \$34,403.01
Keokuk	\$34,685.46 \$28,301.10	\$9,933.96 \$9,933.96	\$44,619.42 \$38,235.06
Pella	\$33,134.40 \$27,560.00	\$8,262.00 (720.00 - 31.50 x 12) \$8,262.00	\$41,396.40 \$35,822.00
Grinnell	\$31,158.40 \$25,646.40	\$8,163.00 \$8,163.00	\$39,321.40 \$33,809.40
Fort Madison	\$32,434.27 ¹¹ \$26,758.58	\$11,950.36 ¹² \$11,950.36	\$44,384.63 \$38,708.94

RANK (Highest Wage Plus Insurance)		RANK (Lowest Wage Plus Insurance)	
Boone	\$49,072.44	Boone	\$44,994.00
Indianola	\$46,869.09	Indianola	\$39,141.78
Keokuk	\$44,619.42	Fort Madison	\$38,708.94
Fort Madison	\$44,384.63	Keokuk	\$38,235.06
Mt. Pleasant	\$44,136.34	Pella	\$35,822.00
Pella	\$41,396.40	Mount Pleasant	\$34,403.01
Grinnell	\$39,321.40	Grinnell	\$33,809.40

The undersigned's recommendation that the employee contribution for family health insurance coverage be increased to

¹¹These wage figures differ from those shown for Fort Madison in the Employer's Exhibit 9. The undersigned computed the wage shown by multiplying \$25,979.20 x .03 to determine the lowest wage and \$13.78 (operator/maintenance wage) x 2808 x .03 + 1.40 (lead-person pay) x 2080 to determine the highest wage.

¹²The 2003-2004 cost of insurance is computed as follows:

$$\begin{aligned}
 1019.87 \times 9 &= 9178.83 \\
 1019.87 + 20\% \times 3 &= 3671.53 \\
 75.00 \times 12 &= 900.00
 \end{aligned}$$

$$\$9178.83 + \$3671.53 - \$900.00 = \$11,950.36$$

\$75.00 per month is made in recognition of the 86.74% increase in the cost of the premiums for that coverage in the last two years. It also is made in recognition of the fact that in March of 2001, the employee contribution constituted 7.36% of the monthly premium for that coverage. \$75.00 per month is approximately 7.36% of the current monthly premium for family health insurance and, to some extent, would reflect the bargain the Union previously struck in that regard.

III. Personal Days.

The undersigned recommends the language in Article 15, Section 6, of the July 1, 2001, to June 30, 2003, contract, relating to the number of personal days, continue unchanged in the July 1, 2003, to June 30, 2004, contract between the parties.

While a majority of the Employer's contracts with its other bargaining units provide for two personal days, the fact remains not all of those contracts provide for the additional day. Further, the undersigned discerns no pattern regarding this item in the contracts of the other cities selected for comparison, which would support the change proposed by the union. Finally, adding another day off can affect the ability to get the work done by the bargaining unit. The undersigned is of the opinion that consequence is one which should come as the result of voluntary agreement between the parties and not through the auspices of a neutral at this time.

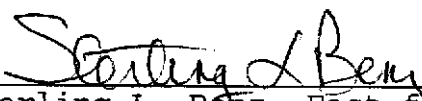
IV. Prescription Safety Glasses.

The undersigned recommends that the Union's proposal, to require the Employer to pay 50% of the cost of the glasses and prescription safety glasses, not be added to the July 1, 2003, to June 30, 2004, contract.

While there is some internal comparability for the Union's proposal, the relevant external comparisons noted in this report do not support the Union's position, in the opinion of this Fact-finder, sufficiently to upset the balance the parties struck with respect to their contracts of prior years.

Dated this 5th day of June, 2003.

Respectfully submitted,


Sterling L. Benz, Fact-finder



CHAUFFEURS, TEAMSTERS AND HELPERS

Local Union No. 238

CEDAR RAPIDS, IOWA 52406

Affiliated With The
International Brotherhood of Teamsters

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Business Representative

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☐ Branch Office - Burlington, IA
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STIPULATION BETWEEN TEAMSTERS LOCAL UNION NO. 238

AND

CITY OF FORT MADISON, WATER DEPARTMENT

RE: WAIVER OF MARCH/APRIL 15 DEADLINE

The undersigned parties, as authorized representatives of Teamsters Local No. 238 and the City of Fort Madison, Water Department stipulate and agree that they will mutually waive the March/April 15 deadline as would be required by Section 20.17, Code of Iowa, pursuant to PERB Case No. 3523 (1979) approving such a waiver. More specifically, in the event that the issues in the current impasse are not resolved prior to or as a consequence of the issuance of a fact-finding report and arbitration is thereafter requested by one of the parties neither party shall assert or interpose any objection to the scheduling of the arbitration proceedings, or the issuance of an arbitration award after March/April 15, 2003.

TEAMSTERS LOCAL UNION 238

CITY OF FORT MADISON, WATER
DEPARTMENT

By Kimberly Weber
Title Business Rep
Date 12-6-02

By Will L. Ewart
Title City Manager
Date 12/6/02

cc: Public Employment Relations Board
514 East Locust Street - Suite 202
Des Moines, IA 50309

EXHIBIT A PAGE 1 OF 1

"UNITED TO PROTECT - NOT COMBINED TO INJURE"



**CITY OF FORT MADISON
FACT FINDING PROPOSALS**

TO: City of Fort Madison Water Department - Teamsters Local Union No. 238

- 1. Wages (Article 24) - 3% increase**
- 2. Insurance (Article 18)**
Change current health insurance plan by contract changes as follows:

Section 18.1 - The Employer shall provide a group health insurance policy for full time employee and his or her family or dependents comparable to the Alliance Select Preferred Provider Organization-Iowa and Blue Card PPO-National, except for such coverage or benefits which are not offered or available in the current health insurance market and therefore cannot be obtained by the Employer. Payment of the premiums for said insurance shall be as provided in Section 14.2 below.

Section 18.2 - The Employer shall pay 100% of the single coverage premium and the employee shall pay 0% of said premium. For employees who elect coverage for family or dependents, the employee will pay forty dollars (\$40.00) per month of the family premium and the Employer will pay the balance of the family premium. The employee's contribution will be on a pre-tax basis using the City's existing premium advantage program. During a period of an unpaid leave of absence of the employee lasting thirty (30) days or more, the employee shall pay his/her own group insurance premium and life insurance on themselves and their dependents.

- 3. Personal Days (Article 15) - Retain current (2002-2003) contract language in Section 15.6 which provides for one personal day.**
- 4. Prescription Safety Glasses (Article 17) - Do not add Union requested Section 17.4 for employer to pay for prescription safety glasses. (Employer will continue to provide safety glasses or safety goggles when needed by employees.)**
- 5. Longevity Pay (Article 19) - Retain current (2002-2003) contract language in Section 19.1 which provides longevity pay as follows:**

After 5 years	\$20.00 per month
After 10 years	\$35.00 per month
After 15 years	\$45.00 per month
After 20 years	\$55.00 per month
After 25 years	\$65.00 per month
After 30 years	\$75.00 per month

6. Temporary Distribution Lead Person payment (Article 24) - Retain current (2002-2003) contract language which provides as follows:

Temporary Distribution Lead Person:

In those circumstances where the lead distribution person is absent from work the employer shall immediately designate a temporary lead person.

In those instances when the lead distribution person is absent, the designated temporary lead distribution shall work 24 hours or three days (three days being defined as three scheduled eight hour shifts), whichever comes first, before receiving the higher rate of lead distribution person rate of pay as set forth herein.

7. All other Articles - retain current (2002-2003) contract language.
8. One year agreement.



CHAUFFEURS, TEAMSTERS AND HELPERS

Local Union No. 238

CEDAR RAPIDS, IOWA 52406

Affiliated With The
International Brotherhood of Teamsters

"HAVE IT DELIVERED BY A UNION DRIVER"

☐ Main Office - Cedar Rapids, IA 52406
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Ron D. Hunt
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May 16, 2003

Attention: Bill Kelly and Terry Loeschen

**Teamsters Local Union 238, representing the City of Fort Madison Water
Department employees, proposal for Fact Finding:**

Keep all proposals that have been agreed to (TA).

Article 15

Leave of Absence

D. Personal Days

15.6 add another personal day to total 2

Article 17

Uniforms and Protective Clothing

**Add: 17.4 City will agree to pay for 50% of the cost of the difference between
a regular pair of prescription glasses and prescription safety glasses.**

Article 24

Wage and Classification

3% wage increase for July 1, 2003 through June 30, 2004.

**Distribution lead person will work 1 day instead of three days before receiving
the higher rate of pay.**

Current language on insurance.

**If these negotiations, fact-finding, or arbitration should go beyond
July 1, 2003, all benefits and wages will be retroactive back to July 1, 2003.**

**Kimbra Wilson
Business Representative**

EXHIBIT C PAGE 1 OF 1

"UNITED TO PROTECT - NOT COMBINED TO INJURE"



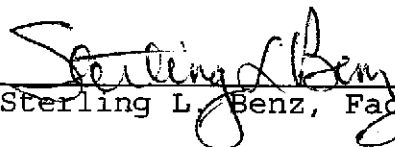
CERTIFICATE OF SERVICE

I certify that on the 5th day of June, 2003, I served the foregoing Report of Fact-Finder upon each of the parties to this matter by mailing a copy to them at their respective addresses as shown below:

Terry D. Loeschen
Attorney at Law
LOESCHEN & LOESCHEN
PO Box 1128
Burlington, IA 52601-1128

Kimbra Wilson
Business Representative
CHAUFFEURS, TEAMSTERS & HELPERS, LOCAL 238
16452 HWY 34
West Burlington, IA 52655

I further certify that on the 5th day of June, 2003, I will submit this Report for filing by mailing it to the Iowa Public Employment Relations Board, 514 East Locust, Suite 202, Des Moines, IA 50309.


Sterling L. Benz, Fact-Finder

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